



Final Program Report

Montenegro Independent Media Program
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CONTENTS

- I. EXECUTIVE SUMMARY
- II. MONTENEGRO INDEPENDENT MEDIA PROGRAM RESULTS FRAMEWORK
- III. MONTENEGRO INDEPENDENT MEDIA PROGRAM ACTIVITIES
- IV. CONCLUSIONS AND LESSONS LEARNED

I. EXECUTIVE SUMMARY

Over the past four years, the Montenegro Independent Media Program (MIMP) has offered a balanced program of training, consulting, and targeted grants to a core group of Montenegrin media outlets and associations. Through this program, IREX aided its partners in developing the skills and capacity to provide citizens with the balanced and objective news and information necessary for them to participate in democratic and free market institutions, and assistance enabled independent media to offer a more professional product and to become financially sustainable. In addition, IREX placed special emphasis on improving journalists' skills in covering gender affairs, conducting investigative journalism and reporting on business and economic issues.

Within the four intermediate results (IRs) for MIMP, IREX's work concentrated on selected partners, including the Montenegrin Broadcasting Company (MBC), the Montenegro Media Institute (MMI), the weekly magazine *Monitor*, the Union of Independent Broadcast Media of Montenegro (UNEM), Radio and Television of Montenegro (RTCG), Radio Antena M and the MINA News Agency, in order to promote a market-oriented democratic mindset. The outlets and organizations were selected based on their past performance in IREX programs and their openness toward IREX's innovative services and ideas. Other journalists and outlets participated in IREX training, as well, but the focus for overall development was on these key outlets and organizations.

IREX placed significant effort on developing self-sustaining supporting institutions such as MMI for training and UNEM for the protection and promotion of the rights of independent broadcasters. Montenegrin organizations such as these will continue independent media development, with Montenegrin talent, now that US and other donors have phased out support.

At the start of the MIMP program in July 2001, Montenegro had just begun the reform process that Central European countries engaged in more than ten years ago. Its unclear legal status with Serbia hampered efforts to develop a professional and rational media system. Although the parliamentary elections of April 2001 resulted in a serious setback for Montenegrin pro-independence forces, their battle to break away from Serbia was far from over. The campaign, which did not refrain from hate speech but stopped short of violence, cemented the deep societal split in the Yugoslav Federation's junior partner. Media organizations, along with the population at large, were even more polarized into clear pro-Montenegro and pro-Serbia camps. At the same time, the economic situation remained poor with slow improvement on key economic reforms.

One year later, the crumbling government of Prime Minister Milo Djukanovic and his Democratic Party of Socialists (DPS) ended up abandoning the push for Montenegro's independence and accepted equal partnership with Serbia in a new union of states – the Union of Serbia and Montenegro. The European Union's chief foreign negotiator, Javier Solana, was backed by the United States and succeeded in keeping Montenegrins on the road to Europe. Only a handful of noisy protestors in front of the Parliament in Podgorica voiced rejection. This development confirmed the results of many opinion polls that put people's interest in market reform and resulting benefits firmly before the government's agenda. The question of independence will be decided this coming summer after the referendum on independence is held.

Although the issue of statehood and independence is a large problem among citizens of Montenegro, their priority is finding employment. Years of living in a society in which it was possible to get by without actually working has left a negative heritage; most people are not ready to undertake entrepreneurial efforts and take advantage of opportunities available as a part of ongoing reforms. It is hoped that the positive economic indicators of the past couple of years will help to change their mindsets. These economic reforms, which include liberalization, privatization, reform of legislation and the acceptance of international standards, are designed to help Montenegro transform itself into an entrepreneurial open market economy. In 2005, gross domestic product grew at a rate of 4 percent, inflation was under 2

percent, there was a sustainable budget deficit, a stable banking sector and significant increases in foreign investment. Privatization in Montenegro is moving along and is soon to be completed with over 80 percent of Montenegrin businesses having been privatized.

The political environment of the past couple of years has also been relatively stable. The coalition government routinely exercised its power and the opposition ended their boycott and returned to Parliament in 2004 after a deal was brokered by the OSCE.

Despite these accomplishments, a low standard of living among Montenegrins remains. The living standard in Montenegro is troublingly low with over 45 to 55 percent of the population considered to be poor. The inability to translate economic growth into prosperity has also affected media outlets. The media business, which employs over 3,000 workers, remains largely unprofitable in Montenegro. The presence of IREX and other donors in Montenegro has largely helped them to survive.

One must look at the successes of the IREX/MIMP program in light of the fact that the country is in the process of developing democratic and market institutions. The results of the 2005 Media Sustainability Index (MSI) have demonstrated that the Montenegrin media environment has improved in all but one of the five conditions required for a sustainable independent media. According to the 2005 MSI the country's media is nearly sustainable, by definition this means that Montenegro has progressed in meeting objectives with legal norms, professionalism and the business environment supportive of independent media. However, more time is needed to test whether the environment can undergo the effects of political changes, and changes from other outside forces, to ensure that professionalism and the media business environment continue to improve and become sustainable. The indicators of success for IREX's work in Montenegro have been closely tied to the MSI indicators and are discussed in depth in the activities section below.

II. MONTENEGRO INDEPENDENT MEDIA PROGRAM RESULTS FRAMEWORK

The primary goal of the IREX cooperative agreement with USAID for the Montenegro Independent Media Program (MIMP) was to support the development of professional, financially self-sustaining, independent print and broadcast media to provide citizens with the balanced and accurate news, information and analysis necessary to participate effectively in a democratic society and a market economy. Related goals sought to assist in making the legal and regulatory environment more conducive to viable, independent media, and to build associations to support the professional and business interests of free media.

While MIMP has emphasized assistance to private, commercial media in the interest of developing a diverse media market that supports continued democratization and the growth of a market economy, it has also recognized the need for the reform of public broadcasting in Montenegro and significantly supported its goals of reform. An underlying premise of MIMP has been that a democracy needs both strong and professional public and private media, and that they both need each other for the constructive journalistic competition that drives overall quality in the media sector.

In support of these goals, IREX defined subsidiary tasks that were incorporated into four intermediate result (IR) objectives:

IR 1: Journalists Provide Citizens with Objective, Balance and Fact-Based Information

IREX staff and international and local trainers worked intensively with selected print and broadcast clients to continue to improve the breadth, depth, accuracy, and credibility of independent journalism. IREX has also worked to improve the Internet skills of journalists and strengthen journalists' understanding of professional ethics. In addition, IREX has assisted independent broadcasters in improving the quality of entertainment programming that builds audiences for news and public service programs.

2001 MSI Score for Professional Journalism: 1.34

2005 MSI Score for Professional Journalism: 2.07

2001 MSI Score for Plurality of News Sources: 1.98
2005 MSI Score for Plurality of News Sources: 2.80

IR 2: Supporting Institutions Function in the Professional Interests of Independent Media

Drawing on its regional experience, IREX worked to help build successful media-related organizations and to move Montenegrin associations towards more active policy advocacy, sound management practices, a greater public education role, and improved professional development opportunities for the media community.

2001 MSI Score for Supporting Institutions: 1.68
2005 MSI Score for Supporting Institutions: 2.50

IR 3: The Legal and Regulatory Framework Supports Free Speech and Access to Public Information

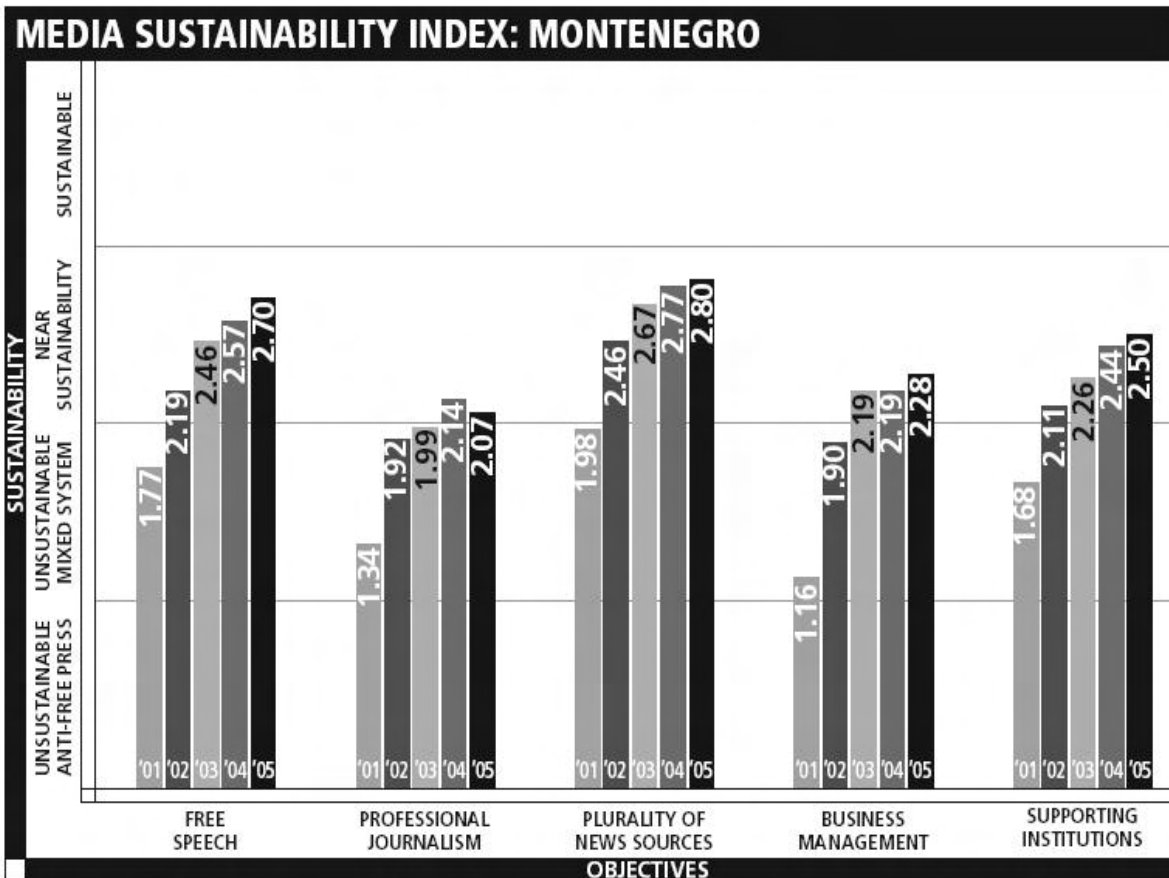
Prior to MIMP, Montenegro's legal and regulatory framework lacked sufficient libel protection; laws did not facilitate access to information and other regulations inhibited the development of a media market and undermined the viability of independent media. IREX has assisted the government of Montenegro in its efforts to develop and implement media laws while also working with media to adapt to the legal environment as it evolves.

2001 MSI Score for Free Speech: 1.77
2005 MSI Score for Free Speech: 2.70

IR 4: Publishers and Stations Managers Manage Media Outlets as Efficient, Profit-Seeking Businesses

The key to professional and editorial independence of media is financial independence from partisan political forces. Montenegrin media have acquired management skills, embraced the efficiencies of networks and news agencies, and cooperated to create the necessary supporting infrastructure such as regularized market research and efficient printing and distribution. Under the MIMP program, independent media learned survival skills for a weak economy that will position them to thrive in a growing economy.

2001 MSI Score for Business Management: 1.16
2005 MSI Score for Business Management: 2.28



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

Key accomplishments of the Montenegro Independent Media Program include:

IR 1: Quality Journalism

Independent Weekly Monitor Advances Investigative Reporting With IREX funding, weekly magazine *Monitor* was able to increase its investigative journalism and has won praise from the media community for its reporting. It is now considered one of the most influential magazines in Montenegro for its effective work in uncovering crime and corruption. Among its accomplishments were two significant stories. The first was a report on the widespread problem of human trafficking, which included the exclusive testimony of a female victim of forced prostitution. As a result of this story, authorities arrested several high judiciary and law enforcement officials, including the Montenegrin Deputy Prosecutor. The second example was an article which explored corruption in the public health sector and allegations of the Minister of Health's mishandling of state monies.

Progress Noted in the Advancement of Business Coverage At the start of MIMP few print or broadcast media dedicated space for reporting on business issues. Today, as a result of IREX assistance, all newspapers have daily business pages and broadcasters regularly cover finance, trade, and industry issues. *Pobjeda* and *Vijesti* newspapers have added business supplements to their daily economic pages. TV programs that cover business and economic topics, such as TV IN's "Log IN", MBC's "*Ekonometar*" and RTCG's "Plus Minus," are among the most popular shows in Montenegro and receive viewer responses from Croatia, Sweden and Germany. Private, public and state-owned media subscribe to the Montenegrin Independent News Agency's business service for quality news and information on business trends, privatization and other economic issues. IREX has not only built the capacity of local media to report on these topics, but has also contributed to the public's general economic and business knowledge.

IR 2: Associations

MMI Offers Range of Training Courses to Journalists Over the course of four years, MMI has developed a variety of educational and professional development courses that have had a tremendous impact on the professional skills of journalists and other media professionals. MMI has awarded journalism degrees to over 42 journalists through its Diploma Course, which was developed in March 2003 in cooperation with IREX and the Danish School of Journalism, and offers Montenegro's first internationally recognized diploma course in journalism. MMI also offers a wide range of training for ongoing education needs of journalists in Montenegro.

UNEM Strengthens Network of Members UNEM has made strong efforts to strengthen the sustainability of its members through increased networking and joint marketing opportunities. With a subgrant from IREX, UNEM developed a joint news program with member stations MBC TV (Podgorica), Radio Panorama (Pljevlja), Radio Ozon (Kolasin), Radio Busola (Herceg Novi), Radio Skala (Kotor), Radio Fokus (Bijelo Polje) and Radio Montena (Niksic) that is now broadcast throughout many regions of Montenegro. UNEM radio stations are now also available via the Internet so that listeners in Montenegro and throughout the world can listen to programming from all thirteen UNEM radio member stations online. And in an effort to help all member stations, which have struggled to attract the limited advertising income available in the market amid growing competition from outside and inside the republic, UNEM established a marketing department to facilitate selling airtime *en bloc* to local and international advertisers in order to increase their net advertising revenue and to be more efficient in covering a large percentage of the total Montenegrin audience.

IR 3: Media Law

Montenegro Adopts and Implements Progressive Media Legislation UNEM and IREX worked diligently in the first year of the program to create draft laws and advocate for the adoption of a set of three unprecedented media laws:

- *Media Law* - Bans public entities from establishing private media and protects the rights of journalists to maintain the anonymity of their sources.
- *Broadcasting Law* - Mandates the establishment of an independent broadcasting regulator, the Broadcasting Council, to issue licenses and allocate broadcast frequencies. The management of the signal distribution system will also come under the authority of the Broadcasting Council once transferred from Montenegrin Telecom.
- *Law on Public Broadcasting Services "Radio of Montenegro" and "Television of Montenegro"* - Requires state-owned broadcasters – both on the national and municipal level – to become public broadcasting services under board management representative of civil society. Office bearers affiliated with state or political parties will be disqualified from membership.

The passage of these laws in September 2002 was hailed by the Stability Pact of South Eastern Europe, the OSCE, the Council of Europe, international donors, and many others. Montenegrin media legislation is now more advanced than that of many countries in the European Union.

Montenegro Media Sign Code of Conduct IREX and the Montenegrin Media Institute (MMI) brought together representatives of all Montenegrin media associations to sign a code of professional standards, which paved the way for the subsequent development of a self-regulatory body, the Media Council, to promote, monitor and enforce professional standards among the media.

Montenegro Conducts First Free and Fair Frequency Tender The Broadcasting Agency awarded broadcasting licenses to 40 radio and 16 television stations in the spring of 2005 under the first public tender for frequency allocations. In order to be eligible for a license, stations had to be registered in and agree to broadcast all programming from Montenegro; have the technological facilities necessary for producing, editing, and broadcasting programs; and include at least 51 percent of its own program production in its programming schedule. Broadcasters with any political party affiliations were automatically disqualified from the competition.

IR 4: Effective Business Management

MINA Achieves Financial Sustainability Capitalizing on grant funding and consulting advice on strategic management and marketing from IREX, the Montenegrin Independent News Agency (MINA) has invested substantial time, significant energy and its own money into building its capacity and adding additional services to meet the information needs of the Montenegrin, regional and international media sectors. The core strength of MINA lies in its ability to provide first-rate general news and economic information, and this is supplemented by the entrepreneurial spirit exhibited by its owners, managers and staff. The news agency recently created an independent transmission system for its news products and services to guarantee reliability of delivery, and has utilized this system to develop into an Internet service provider that is able to offer Internet service at lower rates to more people, thus expanding general internet access in Montenegro and generating an additional source of revenue for the organization.

Media Outlets Utilizing Business Plans and Market Research Over the course of MIMP, IREX has assisted fourteen radio stations, six print publications, three television stations, two media associations/institutions, and one news agency in the development and application of strategic management and marketing skills. These media outlets and organizations have learned how to create and implement a business plan, analyze market research and use it to make strategic programming decisions, and improve sales and marketing efforts.

III. MONTENEGRO INDEPENDENT MEDIA PROGRAM ACTIVITIES

Intermediate Result 1: Journalists Provide Citizens with Objective, Balanced and Fact-Based Information

IR1 is arguably a crucial aspect of media development for it deals with the foundation of the journalism trade: professionalism. Without it libel is rife and trust is low. How does one get it right, particularly in a

country that has no democratic tradition? Our answer was to find a critical mass of outlets and educate them about a set of acceptable trade values that has been successfully applied elsewhere. The critical mass of independent media outlets in Montenegro is led by MINA, MBC, *Monitor*, *Kronika*, *Radio Antena M* and others that are dedicated to a policy of fair and honest journalism, i.e., professionalism and quality. They inform the public about the democratic reform process but also scrutinize its implementation in the spirit of the media's traditional watchdog role.

There are now approximately 45 print media outlets, 15 television stations and 43 radio stations present in Montenegro employing about 3,000 people. This is down from 150 media outlets employing 3,500 people in 2002. Until the development of the Montenegrin Media Institute (MMI), supported by IREX and other donors, there were no journalism training institutions in Montenegro. Montenegro's media professionals participated in short training sessions provided by non-resident donors, participated in training sessions together with Serbian journalists, and, to a much more limited degree, participated in training in other countries in the region. Much of the training suffered from two key weaknesses: it was not based on a needs assessment and there was little post-training follow-up.

In response to these problems, MIMP continued to implement a training approach begun by IREX under the ProMedia/Montenegro program and included follow-up with all trainees, consulting as a necessary complement to group training, participation in study tours and international and regional conferences for select media professionals, and the use and continuing development of Montenegrin trainers through MMI. MMI has made significant progress in this regard ever since it started in-house training in January 2002; Montenegro now has a core group of trainers that can provide a wide variety of training in skills such as news writing, interviewing, editing, lay-out, self-operation and camera operation.

In addition to training, a targeted small grants program was conducted for equipment upgrades and specialized reporting projects on topics such as gender issues and business and economics, as well as support for demonstration projects in investigative and enterprise reporting to key media outlets. Special consideration was given to Albanian-language and Roma media outlets.

Despite IREX's commitment to raising professional journalism standards, the 2005 MSI indicates that professional journalism was the one objective of sustainable independent media that decreased from 2004 to 2005. There is an ongoing problem of journalists not following the Code of Conduct that was signed by all journalist associations in Montenegro under the auspices of the Media Council, formerly known as the Montenegro Self-Regulatory Body. The MSI panelists also noted that there is a need for ongoing education and professional development for journalists in Montenegro, self-censorship is still widely practiced, and media outlets do not invest enough in technical facilities because they feel there is little payoff for such investment.

Despite these shortcomings, the MSI did reveal that there has been considerable effort made by IREX partners such as *Monitor* and Radio Antena M to tackle investigative and enterprise reporting. There are many encouraging examples of investigative and objective journalism from the independent media in Montenegro such as their coverage of the privatization process, ecological issues and the parliament.

1.1 Journalists Follow Accepted and Recognized Professional Standards

1. Television Training

Over the course of the program, IREX placed special emphasis on television training for it was considered the least developed, in terms of professionalism, of any type of media at the start of MIMP. IREX conducted a series of workshops for small groups and on-site training at individual stations on topics such as news packages (i.e., individual stories for news programs), news production; and basic reporting principles for television. Reporting training advanced over the life of the program from basic skills to coverage of more specialized topics.

MIMP originally focused primarily on the development of independent media, but shifted assistance at the end of the program to the transformed public broadcaster Radio Television Crne Gora (RTCG), which

was the least developed television station in Montenegro in terms of professionalism. IREX worked to ensure that the reporting and program quality at both private and public TV stations was of the highest standard possible. IREX invested in staff development through training sessions and supported the development of quality programming by providing subgrants for program production and equipment upgrades. RTCG no longer broadcasts false news as it did in the past, however, it is still in need of more public affairs programming on issues of importance to the Montenegrin public.

A. Montenegro Broadcasting Corporation (MBC)

MBC was a key IREX partner and received substantial assistance under MIMP. Established in 1994, the station is owned by two journalists who have managed to distance themselves from the politically divided Montenegrin media. For that reason alone, the cooperation between IREX and MBC was highly successful and contributed to the overall development of the station. At the beginning the station put more weight towards its entertainment programming but with support from IREX it was able to improve its news and information programs, increase its own program production, expand its signal coverage to almost all of Montenegro, increase its cooperation with local stations throughout the country, and enhance the appearance of the station with a new news set, logo and graphic designs. These changes resulted in an increase in the number of viewers and, subsequently, in advertising revenue, as well. MBC journalists participated in a variety of training courses provided by IREX and were able to demonstrate their new skills in their news coverage.

B. M-Production

M- Production was the first independent production house in Montenegro, formed in January 2001 at a time of great importance to the growing number of television stations in Montenegro. Its pre-election programs in April 2001 showed that professional journalism is possible in Montenegro. IREX helped this organization get off the ground by providing a subgrant for operational expenses following its successful election coverage. Later, funds were provided for program production. M-Production produces the program *Pro and Contra* that deals with corruption, criminal issues, economic and political reforms in Montenegro, presenting all pros and cons related to these issues. M-production has developed shows that have been broadcast by TV Elmag, TV Orion, MBC and TV Montena.

C. Montenegro Media Institute (MMI)

MMI is the hub of journalism training in the country and as such has received strong support from IREX to conduct print and broadcast training courses in an effort to reach out to all media outlets in Montenegro. In addition to offering editorial and basic journalism training designed to raise the level of professional standards, MMI also provided specialized training for investigative journalism and gender reporting.

Please see IR 2.3.2 for information on IREX support for MMI's Diploma Course.

2. Radio Training

Independent radio stations in Montenegro prior to MIMP faced a difficult competitive challenge from municipal stations, many of which had improved dramatically due to their membership in ANEM, a Serbia-based association that offers a comprehensive training program developed in cooperation with IREX ProMedia in Serbia. Montenegrin independent radio stations needed to achieve similar results or they would have remained in a weaker position. IREX therefore coordinated radio training programs held in cooperation with UNEM, which represents most private, independent radio, and MMI, which has helped to develop this sector of independent media over the past four years. Training focused on all aspects of radio journalism, beginning with basic journalism skills and proceeding to interviewing techniques, editing, and specialized reporting. Training was followed up by one-on-one consultation with key UNEM member stations. IREX staff and consultants Rich and Suzi McClear provided significant support to these media outlets.

Among the radio broadcasters receiving significant support were Radio Antena M, Radio Busola and Radio Fokus, all members of UNEM. The most successful by far has been Radio Antena M, which has achieved self-sustainability through the production of innovative programming. IREX support has allowed the station to conduct an investigative reporting project, carry out a public awareness campaign on the new Montenegrin media laws, produce a new morning show, and develop creative programs focused on women's issues. Radio Antena M was recently awarded the prize for "best radio station which broadcasts programming in a south Slavic language" by One World Radio Southeastern Europe. One World SEE established the award for radio stations in southeast Europe to recognize those stations that have excelled in the production of general programs and programs which focus on human rights and sustainable development issues. The award was developed in order to encourage radio stations to report professionally and educate the public on issues involving human rights, social justice, and other similar issues.

Many other radio stations, UNEM and non-UNEM members alike, have also participated in IREX-funded training seminars.

3. Print Training

IREX carried out a print training program, largely via the services of MMI, to improve journalism at newspapers and magazines throughout Montenegro. Training seminars and workshops focused on basic journalism issues such as writing, editing, and use of graphics. One-on-one consulting in design and layout conducted by IREX print advisors also helped papers to better present their journalism in a manner appealing to the audience.

MIMP also concentrated on investigative reporting and IREX combined class-room training on standards of evidence and journalism fundamentals with hands-on practical exercises. IREX organized training seminars to develop proficiency in locating stories, small and large, through means other than press releases or news conferences; identifying and investigating issues of importance to the audience; conducting research as an element of reporting; utilizing investigative reporting techniques; and understanding the ethics of legal ramifications of investigative reporting.

IREX also worked with MMI to develop an annual award for investigative reporting and courage in journalism. This has served to promote the need for and importance of investigative journalism and recognize those who practice it.

The existence of four daily newspapers in a market of approximately 620,000 citizens indicates growth in newspaper readership. According to the most recent surveys 55,000 to 60,000 people subscribe to or buy newspapers. Two of the largest daily newspapers, *Vijesti* and *Dan*, have a circulation of about 20,000 each and IREX partner, weekly magazine *Monitor*, sells about 5,000. State newspaper, *Pobjeda*, makes up the difference with approximately 20,000 to 25,000 sold daily.

IREX provided significant support to two of its print partners, *Monitor* and *Polje*. *Monitor* is a Podgorica-based independent magazine founded in 1990. As a result of its dedication to professionalism and on-going IREX support, *Monitor* has succeeded in becoming one of Montenegro's most influential media outlets and the republic's leading current affairs magazine. It is one of the few media outlets that practices investigative reporting on a regular basis, and has exposed several incidents of corruption and human trafficking. IREX support to *Monitor* has included subgrants for gender and investigative reporting, specialized audience surveys, equipment, news agency subscriptions, and an upgrade of its magazine presentation.

The bi-weekly *Polje* has been published since 1997 by a private company called "Manifesto". It is based in Bijelo Polje, in the northern part of the republic, and is the only print medium that addresses problems of the rural Montenegrin north. IREX has provided significant support to *Polje*, including subgrants for the purchase of equipment that helped improve the quality of the publication, and for an investigative reporting project that assisted the newspaper's efforts to further develop its investigative journalism.

Based on recommendations from IREX, the publication changed its format in order to become more appealing to its readers. The paper diversified its coverage to include lighter, more entertaining topics, world issues, and readers' comments on past articles in the magazine. The ultimate result was an increase in circulation of approximately 2000 copies or 30 percent. After this initial increase, the circulation is now declining along with advertising sales due to the poor economy. In response to the weakening economy and readers' financial concerns, IREX provided a subgrant to *Polje* to increase coverage of economic and business issues.

IREX also provided training and a subgrant for investigative reporting to weekly *Onogost*, which is read by the younger, urban population.

4. News Agency Training

With IREX support the Montenegro Independent News Agency (MINA) was created in March 2002 through the merger of two Montenegrin news agencies, Montena fax and Montena business, and has developed into a highly successful company providing a number of services to its media clients. MINA has become the primary source of general and business information, in and from Montenegro, offering an average of 85 stories per day to its clients. On-site training for MINA reporters has covered topics from background and context writing to economic investigative reporting.

For more information on IREX support to MINA, please see IR 1.3.1

5. General Journalism

Since research is of the essence in journalism, IREX offered training in computer assisted reporting (CAR) and Internet research through MMI. In order to gain better access to international information, MMI also offered English-language courses designed specifically for journalists.

1.2 Independent Media Provide Comprehensive News and Public Affairs Coverage

Montenegrin media's basic level of professionalism was initially poor and outlets offered little reporting on subjects such as business and economics, women's issues, social issues, health or the environment. While political reporting was, and still is, all too common, there was little enterprise or investigative reporting. IREX continued efforts begun under ProMedia/Montenegro to broaden the content of journalism in Montenegro by offering training and small grants to media outlets that sought to broaden the scope and depth of their reporting. Under MIMP, IREX efforts have led to increased economics and business reporting, more frequent and higher quality coverage of women's issues, and wider usage of investigative/enterprise reporting skills. IREX has achieved success by offering training combined with consulting on how to integrate new topics into existing formats.

Unfortunately, media outlet's financial situations continue to be an obstacle in their attempts to report on a wider variety of issues. Although these issues are of great importance to society, it has also been a challenge to present them in a creative yet informative way that catches the interest of citizens. IREX worked with its partners, primarily MBC, Monitor and Radio Antena M, to help them overcome these hurdles.

1. Women's Issues in the Media

Women's issues are missing not only from the media, but also from civic life as a whole in Montenegro. This stems from long-seated cultural views of the role of women and serves as an obstacle to the advancement of women in society. IREX promoted coverage of gender issues through training and consulting and small grants to stimulate specialized projects that would start the development of better and more comprehensive coverage. Topics that Montenegrin media needed to address included violence against women, trafficking in women (the Balkans are now a major trafficking point), women in politics, and economic rights. IREX provided workshops and roundtable discussions to equip editors and journalists with knowledge of these issues and skills to identify stories and design special pages/programs. Local experts from the Center for Entrepreneurship, Women's Action, and Helsinki Committee presented the issues to media and offered grants to promote special projects and

demonstrate how dedicated pages/programs can be an effective way to raise these issues and attract an audience. Media outlets selected for grants also received individualized consulting to help design the projects.

Keeping in mind that the media is one of the most powerful tools in forming people's attitudes, behavior, and perception, IREX-supported media coverage of women's issues was able to challenge existing norms. With controversial stories broadcast on MBC TV's *Ksenija* news magazine and published in *Monitor* magazine, IREX aimed to help the media initiate changes in societal values and the traditional views and status of women, particularly in the political sphere. *Ksenija* fought against horrific stereotypes that often were supported or perpetuated by the majority of media -- women as fancy escorts for wealthy men whose only aim of existence is an easy life, women as consumer goods and "dolls," etc. -- and sought to address issues of importance to the average Montenegrin woman. Feedback from audience surveys confirmed that a wide variety of women from different cultural and socio-economic backgrounds found *Ksenija* interesting. Unfortunately, MBC was unable to continue the program after IREX support ended due to a lack of funds.

For *Monitor*, investigative stories on violence against women and human trafficking have been the magazine's focus. Its efforts resulted in the revelation of the biggest sex trafficking affairs to date and have led to the arrest of the Montenegrin Deputy State Prosecutor, thus catapulting Montenegro into the public eye and prompting closer scrutiny of government activities by the Organization for Security and Cooperation in Europe (OSCE) and the Council of Europe.

In May 2005, Radio Antena M finished airing a highly successful program on women's issues that originally began in May 2003. The show, which aired every Tuesday, covered a variety of topics including female roles and status in the family, women's reproductive and sexual freedom, and their rights in political fora, public life and the workplace. Due to the overwhelmingly positive response from listeners, IREX provided additional subgrant funding to Radio Antena M to complete a second round of programming.

2. Enterprise and Investigative Reporting

The media's watchdog role is particularly important in transitional environments and is depended upon to expose wrongdoing, protect citizens' rights, and provide an essential check on government during the democratic and economic reform process. However, IREX also realized that investigative reporting is part of a broader approach to journalism that was long neglected in Montenegro - enterprise reporting. Reporters should find stories, small and large, that are not presented via press releases or news conferences, and they should find and investigate issues of importance to their audience. If journalists engage in this type of reporting consistently, it also serves as a check on corruption and governmental wrongdoing. Generally enterprise reporting is easier for outlets to engage in without angering the government or parties who hold considerable sway over advertising revenue, taxes, and licensing.

IREX held training workshops on investigative and enterprise reporting on an annual basis, focusing on research as an element of reporting; reporting tools and techniques; and ethics and legal ramifications of investigative reporting. MIMP also coordinated with the ProMedia II Serbia program to implement a seminar on investigative reporting techniques conducted by trainer Drew Sullivan, who previously worked on the IREX ProMedia II Bosnia program. A second joint training event on investigative journalism, led by Suzi McClear, tackled the subject of trafficking of women from Albania. In cooperation with UNEM, IREX developed an awards program for investigative reporting in electronic media with the intent to encourage this type of journalism.

Additional support was available to media outlets through a small grants program designed to promote investigative/enterprise reporting projects. IREX offered grants to media to develop in-depth stories that required significant staff time or to support the cost of research tools that would allow journalists to write more accurate stories; staff also took into account the proposed project's potential impact for sales or business development at the media outlet when evaluating grant proposals. Under MIMP IREX awarded subgrants to Radio Busola for reporting on the trafficking in women and the smuggling of weapons and

drugs, to M-Production for a radio documentary series on top corruption cases in high office that was broadcast on Radio Antena M, and to *Polje*, *Monitor* and *Kronika* for investigative reports on a variety of topics.

Under MIMP the MINA news agency and *Monitor*, as well as *Polje*, *Kronika* and *Radio Skala*, successfully started to investigate corruption. Corruption has infested all layers of Montenegrin society and the general public seems to take much of it for granted, including the need to pay bribes to civil servants to obtain even the smallest of services. *Monitor* now regularly features a section that deals exclusively with corruption. Readers respect and appreciate these efforts and will purchase publications that offer investigative pieces.

3. Economics, Business, and Privatization Reporting

This represents a vital area of reporting for any country engaged in economic reform - rational economic and business decision-making cannot be made without adequate information and knowledge. IREX concentrated on business news and economic reporting and participants in IREX's series of business reporting seminars soon began to produce special sections, reports, and stories in their respective media outlets. IREX commissioned a survey of major businesses in Montenegro in cooperation with the Center for Entrepreneurship and discovered that there was a need for more information on Montenegrin businesses.

IREX educated journalists and media managers/directors about the role of media in the economic transition process, offered consultations on how to attract an audience with business news, and raised awareness among editors of the necessity for regular business and economics reporting, with a focus on the privatization process. Additionally, IREX facilitated roundtable discussions for media professionals and business leaders, developed written training materials on business and the Montenegrin economy, and, in collaboration with the Center for Entrepreneurship, developed an awards program for business reporting.

Lastly, IREX provided subgrants for the production of economic programs such as RTCG's "Plus Minus" and TV IN's "LogIn." The topics covered on "PlusMinus" have included the job market, e-trading, foreign investment, mortgage law, bankruptcy law, the Montenegrin budget for 2005, employment of disabled people, reform and public employees, employment and education, and intellectual property rights. As a result of the "PlusMinus" programs on e-business, many businesses in Montenegro have introduced website presentations of their services and products and have ultimately increased their number of clients and improved their businesses. After the "PlusMinus" show on bankruptcy procedures, a professor from the University of Montenegro and the chief economist of the UNDP gave a presentation on bankruptcy to students and invited the guest experts who had appeared on the show to participate in the discussion.

TV IN's "LogIn" was also highly successful. "LogIn" was an interactive broadcast on economic and business issues targeting younger viewers. The show informed and educated the audience on the market economy, and challenged the younger generations to change their mindsets and start thinking more seriously about issues related to this topic. The show was viewer-oriented and included active participation from the students in the studio audience. Students/participants in the audience during the broadcasts also had the opportunity to win internships at various organizations and companies in Montenegro. Several internships awarded through the "LogIn" program subsequently turned into full-time jobs for the winners.

1.3 Facilities and Equipment for Gathering, Producing and Distributing News is Modern and Efficient

1. Development Support to Key Customers

Apart from the MIMP policy to substantially assist independent media in acquiring knowledge and skills to improve professionalism, IREX felt that a selected number of independent media outlets merited special efforts to strengthen their independence. Over the past four years, strategic support has been given to MBC, *Monitor* magazine, MINA and UNEM.

A. *MBC*

As mentioned above, the TV sector in Montenegro is the most important and yet the weakest. MBC struggled over the years to maintain its independence among the more or less partisan heavyweights. When IREX began working with MBC, it had been successful in broadening its reach within Montenegro by adding transmission capacity on the coast. The footprint covered the cash-rich markets of Podgorica, Niksic, and the entire coast from Herceg Novi to Albanian-dominated Ulcinj and including the Bay of Kotor. With IREX support, MBC was able to purchase and install transmitters to expand its coverage to the northern part of the country -- Pljevlja, Bielo Polje, Berane, and Plav -- and presented a real counterweight to state TV's 100 percent footprint.

IREX began a phased approach to its cooperation with MBC starting with rating surveys, business plans, funds for international and locally produced programming, and training assistance using IREX consultant Rich McClear as lead consultant. MBC also revamped its broadcast studio with a whole new look and added new digital equipment to enhance program quality. MBC also purchased high-caliber movies and sports programs in order to compete with RTCG and other larger stations such as TV In and TV Pink.

MBC successfully employed IREX substantial assistance to grow substantially in the Montenegrin marketplace.

B. *Monitor*

Monitor is Montenegro's independent flagship media outlet but it required substantial editorial and management input and advice to become financially sustainable. MIMP offered management assistance to broaden the magazine's market segment, and create a viable marketing and sales department that worked with editors to translate editorial input into business success. IREX also provided editorial assistance and funds for *Monitor* to develop investigative reporting articles that were serialized in supplements attractive to readers and advertisers alike. In addition, IREX provided funds for a new layout to attract more readers. IREX support has helped *Monitor* to become a viable leading magazine in Montenegro.

C. *UNEM*

IREX, with the assistance of consultant Hendrik Bussiek, helped the Union of the Independent Electronic Media (UNEM) to develop a serious business approach to re-launching itself as business-driven organization that has important members like MBC and TV Elmag. UNEM was able to raise its profile by taking the lead in the advocacy for and implementation of the new media laws. Its work in this realm is considered its key achievement.

UNEM was established as an independent broadcast association in 1999 through USAID funding. In recent years UNEM has more than tripled its membership and grown into an organization of twenty-five broadcast media outlets. The number of members in UNEM has clearly increased the association's capacity to influence policy changes that affect professional standards in Montenegro. UNEM provides a number of services to its members including news agency subscriptions, seminars and training, technical support, and marketing of member station's programs. IREX developed a strong professional relationship with the organization and supported all of the above mentioned activities.

D. *MINA*

MINA initially distributed its news products through the internet services of local telecommunication companies, which created two problems: 1) the agency was dependent on other companies, one of which is partially owned by a government interest group, and 2) it could not control or guarantee the reliability, quality or integrity of its news dissemination. In order to achieve sustainability and secure its independence, MINA created an independent internet-based distribution platform with funds provided

through an IREX subgrant. With an independent distribution system, MINA is able to offer Internet Service Provider (ISP) services at rates up to 30 to 40 percent lower than current prices offered by the sole Internet service provider in Montenegro. MINA's lower rates for Internet service have allowed more Montenegrins access to the Internet and will ensure an additional source of revenue for the news agency necessary for maintaining financial viability.

2. Albanian Language Efforts

The Albanian population in Montenegro is seven percent of the total population, comprising roughly 50,000 citizens. Despite being a sizeable minority in Montenegro, IREX found that there were very few Montenegrin media serving them -- only one full-time radio station (Radio Mir); relatively limited Albanian-language programs on RTCG, Radio Bar and Radio Ulcinj; a few Albanian-language periodicals; and limited stories in Albanian in Podgorica's Polis magazine.

IREX directed its assistance primarily to TV Teuta, which was formed in 2002 and is owned by Radio Mir, and the now defunct *Kronika*, which, until recently was a successful start-up magazine in Ulcinj. IREX gave additional support to MINA to add an Albanian-language service and to subscribe to KosovaLive news service to enrich its regional file.

At *Kronika*, MIMP support allowed for training of reporters, editors and managers, layout improvements, agency support, and covered printing costs, newsprint and a marketing campaign. Unfortunately, due to low circulation, *Kronika* could not keep up with its operating costs and subsequently shut down its operations.

3. Small Equipment Grants Program

Although the situation has improved over the past several years, largely in part because of IREX assistance, at the beginning of MIMP Montenegrin media were still poorly equipped with antiquated or inefficient equipment. During the first year of the program, IREX conducted a targeted small equipment grants program to improve technology for print and broadcast media outlets and the MINA news agency. IREX awarded fifteen small grants that resulted in better production and reporting, and allowed for networking and program exchanges.

Intermediat Result 2: Supporting Institutions Function In The Professional Interests Of Independent Media

While IREX and other donors and implementers can conduct training, provide consulting, offer grant assistance and advocate for the rights of independent media, sustainable media development is not possible without indigenous Montenegrin institutions that can provide these same functions in a professional manner on a continuous basis after the donor money has ended. Necessary local organizations include associations that support and lobby for the rights of broadcasters and publishers and offer professional development opportunities, NGOs and journalist associations that support free speech rights, and institutions that provide training.

IREX focused the majority of its efforts on the professional journalism association, the Union of Independent Electronic Media (UNEM), and MMI, and made several unsuccessful attempts to revive MontPress, a publishers association that faded in the first year or so of MIMP. Consulting, on-the-job training and targeted grants provided the core of IREX support for these institutions. IREX also provided limited financial assistance to the Association of Young Journalists (AYJ), but chose mainly to coordinate efforts and organize joint activities with the organization.

According to the MSI 2005, institutions which support media have developed considerably over the last four years from a 1.68 ranking in 2001 to a 2.50 ranking in 2005. However, in general, the professional journalist associations do not yet produce significant results in terms of improving the professional conditions for journalists. Either they do not function effectively or their membership is so reduced that they can only maintain a small managerial staff. Among the professional associations, UNEM won praise

in the MSI for its work on drafting the Law on Free Access to Information and its continuing work on an anti-monopoly draft law.

2.1 Broadcasters Association Provides Training to and Representation for Independent Broadcasters (UNEM)

1. UNEM as a Training Provider

At the start of MIMP, IREX continued the work it had begun with UNEM under ProMedia/Montenegro. At that time, there were only twelve full or associated members of UNEM. Since then UNEM membership has nearly tripled and includes a critical mass of TV and radio stations that enable the association to affect policy changes. UNEM does not accept broadcasters that are affiliated with any political party and members must also broadcast news or information, thus disqualifying purely entertainment stations. To accommodate stations that do not qualify under these restrictions, UNEM has developed a system under which they can become non-voting associate members.

With support from IREX under MIMP, UNEM began to develop and strengthen member services such as training and professional development, technical support and consulting, and joint marketing and networking opportunities. Although UNEM has had incredible success representing its members and their interests to the government and other agencies, it has not fully developed its capacity to provide a wide range of services to its members. IREX worked with UNEM to financially support and co-sponsor seminars and workshops for members on issues such as program scheduling, production, marketing and management taught by local, regional, and international trainers.

2. Small Grant for Group News Agency Purchase

One of the benefits of membership in an association is the ability to reduce costs through joint efforts or group buys. During MIMP IREX provided funds to UNEM for the purchase of news agency subscriptions for its members. The subscription to MINA allowed UNEM members the right to use the general, economic and audio services of the news agency. This service enabled the media outlets to produce high quality news and public affairs programming, thereby strengthening their position in a highly competitive market.

2.2 Publishers Association (MontPress) Represents the Interests of Independent Media Outlets

MontPress is an association of newspaper publishers that represents both daily and weekly papers. The organization has been largely inactive since it successfully led a campaign for group buys of newsprint during the Milosevic orchestrated newsprint crisis in 1999 and 2000. IREX worked to develop an activity plan and agenda for the association, but was unable to revive the association under MIMP.

1. Consulting to Develop Strategic Plan and Agenda

IREX had hoped that MontPress would focus on such activities as group purchases, focused training and lobbying. Because of the association's inactivity, IREX provided support directly to individual members and encouraged additional publications to join the association. Members included *Vijesti*, the most popular daily, but excluded its competitors *Dan* and *Pobjeda*. Smaller members include monthly and weekly publications like *Monitor*, *Kronika* and *Polje*. In particular, IREX assisted *Monitor*, *Kronika* and *Polje* in order to renew and strengthen their efforts to develop business strategies that would strengthen their content and management. Assistance to *Vijesti* focused on increasing content quality, e.g. developing op-ed pages.

2. Co-sponsored Training (MontPress)

IREX involved MontPress as co-sponsor for print-related business training. It also cooperated with the World Association of Newspapers (WAN) on management and editorial training to achieve inter alia a clear separation of news and opinion by changing editors' mindsets and encouraging them to introduce op-ed pages.

IR 2.3 Indigenous Training Institutions Provide Journalism Training

1. Co-Sponsored Seminars and Workshops

MMI has successfully organized numerous training courses and workshops with both international and domestic trainers for hundreds of journalists and other media professionals. As a member of the Network for Professionalism in the Media of South-Eastern Europe, MMI also participated in the organization of regional training for Montenegrin media professionals outside of the country. Through its training activities, MMI has had significant success in increasing the level of professional skills and knowledge of Montenegrin journalists, editors, managers and other media professionals.

IREX strategy under MIMP has been to outsource journalism and management courses to MMI with decreasing IREX involvement and funding, and decreasing use of international trainers over the course of four years. As such, when IREX sponsored a training course at MMI, there was generally a training of trainers (TOT) component. Many eminent Montenegrin journalists have participated in these special MMI TOT courses delivered by instructors from the Danish School of Journalism. Some of these trained journalists now make up the core team of trainers for MMI's Journalism School, while all of them are engaged in general training for journalists who work in Montenegrin media.

In order to maintain clients, MMI has started to develop professional continuing education opportunities. Technology, markets and management theory change quickly and in developed media economies reporters, technicians, sales people, and managers constantly take courses to update skills. The university system in Montenegro was not geared toward continuing education programs in the fast-moving field of media, but MMI solved this problem by expanding its program of learning experiences for seasoned media professionals. IREX supported these efforts by providing assistance and guidance to MMI to create a strategic business plan for the development of new training programs.

Under the leadership of Managing Director Vojo Raonic, MMI has established itself as a leading independent media institution in Montenegro and has begun to open its doors to a variety of fora and events on media-related issues, and promote debate, provide guidance and voice its opinion on the current media scene. Although its emphasis is on education, MMI has actively taken part in the media legislation process, promotes self-regulation of the media industry, and bridges the gap between the two main political camps by taking the lead in devising a Code of Professional Behavior. It has started groundbreaking research as part of its phased business strategy, partly funded by IREX, and in cooperation with the BBC. It also works with the Belgrade-based European Center for Broadcast Journalism (ECBJ).

MMI has begun to develop as association that takes care of the needs of the media industry. With the implementation of fees for its members, IREX hopes that this will further support the financial sustainability of this very important organization.

2. Curriculum Development/University Course

With the cooperation and assistance of IREX and the Danish School of Journalism, MMI developed a diploma course that offers an internationally accepted certificate to participants. IREX provided funding and consultations to MMI on the development of its journalism curriculum and media monitoring activities.

MMI conducted the first diploma course from March-October 2003 and has held one each year up until the completion of MIMP. It is hoped that this tradition will continue past the end of donor support. The teaching plan and program for the diploma course were prepared in collaboration with the Danish School of Journalism, based on the methodology of "learning by doing." The course is six months in duration and the training consists of seven modules, journalism workshops within print and broadcasting media, a two-month internship at a media outlet, two weekly follow-ups for course evaluation and participant assessment, as well as a final exam.

Slight modifications were made in the second annual diploma course and IREX negotiated an arrangement whereby MMI worked with the law faculty of the University of Montenegro to run and manage the course as a joint effort. The university's professors and lecturers became more involved in

the organization and administration of the diploma course so that the university and MMI were able to award the diploma together. For the third year of the course, the MMI Managing Board decided to open the course to media professionals with at least three years of experience based on the results of a survey conducted among media owners, editors and journalists. The course was redesigned so that the curriculum would pertain to both levels of students, those with experience in the media and those just beginning a journalism career.

Although IREX encouraged MMI to emphasize and focus on job placement for diploma course graduates, one obstacle that IREX and MMI faced was that some of the graduates of MMI's initial diploma course in 2003 experienced problems securing jobs because they came up against the resistance of the communist-trained, or completely untrained, old guard of editors. IREX addressed this problem by helping MMI develop training activities for editors in addition to continued basic journalistic education and targeted training designed to improve the quality, background information, analysis and context of Montenegrin journalists' reporting. IREX and MMI were able to assist journalists with the implementation of their new skills and professional knowledge by focusing on senior editors and provided training that helped them to accept innovative ideas put forth by a new generation of MMI-trained journalists.

3. Small Grants

Throughout MIMP, IREX provided subgrant funding to MMI for classroom and studio equipment and offered active management advice to help the institution progress towards sustainability.

4. Media Journalism Monitoring

IREX commissioned monitoring of both print and broadcast media to regularly monitor and report on the quality of journalism, focusing on factors such as objectivity and balance and the coverage of key MIMP topics such women's issues, investigative reporting, and economics/business reporting, for purposes of monitoring the program's impact on reporting topics. The monitoring results were distributed publicly and served as an important training and evaluation tool for Montenegrin media -- editors noted that they read the reports regularly for an outside view of their balance and objectivity. The monitoring results were also used by IREX to track changes in the media over time. The majority of the media monitoring was conducted by either MMI or the Center for Democracy and Human Rights (CEDEM).

Over the course of MIMP, MMI also carried out eight public opinion polls designed to determine ratings for Montenegrin media, as well as to reveal public attitudes toward Montenegrin media and journalism in general. This information has helped media to orientate themselves and their products to the market and to create an appropriate editorial policy based on what their audience wants. Prior to the MMI surveys, CEED conducted two surveys: one was a public opinion poll designed to assess media professionalism through the "public eye," i.e., the public's perceptions and expectations, the other assessed the quality of journalists' work.

In addition to the surveys, MMI published two media reference books entitled the "Book of Montenegrin Media," which consists of all relevant data on active media in Montenegro, and the "Book of Contacts for State/Public Institutions of Montenegro," which lists information for all state and public institutions in the country. Through these books, MMI attempts to systematize the data available on media outlets and journalists in Montenegro and to facilitate access to government institutions and information.

In order to ensure that RTCG programming was of sound quality as it made its transformation from a state to a public broadcaster, IREX awarded a small grant to AYJ to monitor the public broadcaster prior to the establishment of its own monitoring facility. AYJ established a one-year program of media monitoring in collaboration with the RTCG Council to help them monitor programming and assess the quality of the RTCG's two 24-hour channels. It was of utmost importance that checks were made on program principles, application of laws and editorial benchmarking of RTCG for overall program improvement.

Intermediate Result 3: The Legal and Regulatory Framework Supports Free Speech and Access To Public Information

Free speech rights are key to a sustainable independent media system. Journalists in both private and public media must be free to gather, produce, and distribute information; broadcast licensing must be apolitical, fair and transparent for all media; and independent media outlets should be treated impartially as businesses and state/public media should not receive anti-competitive privileges. In order to reach this stage, the media sector requires legal, regulatory and constitutional protections; a fair, effective, and impartial judiciary; and effective independent monitoring and publication of rights.

Under MIMP, IREX worked with local organizations such as UNEM, the Association of Young Journalists, the Helsinki Committee and other international and domestic organizations to promote and assist with legal and regulatory reform and to develop an effective and regular monitoring system run by Montenegrins. IREX Chief of Party Joe Raffelberg and IREX consultant Hendrik Bussiek worked very closely with UNEM and various governmental offices and agencies in order to encourage and implement legal and regulatory media reform, and develop an effective and regular monitoring system run by Montenegrins. IREX's strategic partner Covington & Burling, an international law-firm based in Washington, D.C., provided *pro bono* legal review of draft laws and offered suggestions and advice for improving the media legislation. All relevant stakeholders from the private and public sectors were included in the legal reform process and their efforts resulted in unprecedented media legislation.

With the passage of a package of three laws in September 2002 -- the Media Law, the Broadcasting Law, and the Law on Transforming the State Broadcaster into Public Service Broadcasting -- Montenegro now has some of the most advanced media legislation in the Balkans, *inter alia* providing for a truly independent Broadcasting Authority (BA), creating a Broadcast Center (i.e., a signal distribution mechanism reporting to the new independent regulator), and establishing a public service broadcaster controlled by civil society rather than by politicians.

The media regulation process which has taken place in Montenegro received positive marks in the 2005 MSI. There do, however, remain some obstacles to implementation. For instance, concerning the distribution of broadcast subscription funds to commercial broadcasters, the law envisages that 10 percent of public subscription fees should go to outlets, but the agency uses territorial coverage criteria as the main determinant for distributing funds rather than the quality of programming offered by the station. Concern still remains regarding cases of libel, which, despite the fact that they are no longer punishable by imprisonment, still fall under Montenegro's criminal code rather than its civil code. The 2005 MSI noted that the legislative framework in Montenegro is of high quality and, with this base, it is hoped that legal processes will be handled in a fair and transparent manner without the pressure from the government. The question yet to be answered is whether recently passed laws will be implemented to the fullest extent.

3.1 Legal Framework Protects the Right to Gather, Produce and Disseminate News

1. Promoting Right of Access to Information

Article 4 of the Media Law provides that information at the disposal of legislative, executive and judicial authorities, as well as companies and institutions entrusted with public services, will be available to the public under a separate Law on Free Access to Information. IREX contributed to the development of a draft law which was acknowledged by the Council of Europe as being in compliance with European and other international standards.

Under the chairmanship of the Association of Young Journalists (AYJ), a working group developed its first draft the Law on Free Access to Information in December 2002. As the basis for their draft, the group used a document developed by IREX's media law consultant Hendrik Bussiek in May 2002, as well as a draft law prepared by the Free Access to Information Program, a non-governmental organization which specifically targets this issue.

The working group presented its version of the draft legislation during the February 2003 donors' conference on media law implementation. Bussiek, who attended the conference, commented that the final draft had "undergone a miraculous change from earlier rather progressive versions to a piece of legislation which will only serve as a 'fig leaf' (*Monitor*, Feb. 2, 2003) for the state authorities in a pretense of transparency without really providing for free access." Bussiek, upon the request of IREX, submitted a set of critical comments for consideration by the working group in charge of the legislation. Bussiek also urged more open discussions through roundtables involving all interested members of the public as well as experts from the Council of Europe, the Organization for Security and Cooperation in Europe (OSCE), IREX, and others.

In May 2003, the Council of Europe (CoE) sponsored a roundtable in Podgorica to solicit input on the draft Law on Access to Information. Those in attendance included Bussiek, the CoE media department's program advisor for South-East Europe, two international legal experts from the Netherlands and Sweden, and representatives from the access to information working group. Bussiek presented a number of concrete proposals for amendments to the draft bill, including exemptions, a public interest test, a provision for a public information officer, and the right to appeal in the case of refusal to disclose information. Both the CoE and the working group approved Bussiek's detailed list of exemptions as well as a more precisely worded article on a public interest test. During the debate, participants also accepted Bussiek's proposal to add an additional article to protect the interests of third parties and agreed to consider introducing an ombudsman responsible for reviewing appeals.

The debate over the exemptions from disclosure of documents continued through the fall of 2003 and summer of 2004. The majority in the working group called for a rewrite of the draft to include Bussiek's recommendations to define exemptions clearly and in such a way that they can not be misused by the authorities, but the minority refused to approve the suggested exemptions and the working group failed to reach a consensus. In attempt to solve the issue, Bussiek suggested that two options for exemptions, broad and narrow, be submitted to the Council of Europe (CoE) for review. The Ministry of Culture returned a first draft to the working group requesting that it weave in suggestions from the UK-based organization Article XIX on including exemption from information disclosure into the fabric of the draft.

In early 2005, Boris Darmanovic, head of the Association of Young Journalists (AYJ), informed the media community that the government had changed the original draft of the Free Access to Information law, which the media law working group had delivered to the Ministry of Culture. Darmanovic invited the media community to support the group's effort to reinsert key provisions and deliver the proper draft law to the parliament and the working group considered collecting the 6000 signatures necessary to introduce a bill directly to parliament. After six months of protest by the media community, the law which included the key provisions was passed in October 2005.

In addition to providing technical assistance and guidance to the working group on the development of the law, IREX staff also assisted in preparing the executive and judicial branches of government for adhering to the new access to information law. IREX offered advice to USAID's Judicial Reform program on how to educate the bench on matters related to media requests for information, and developed a training course with MMI for senior members of the Foreign Ministry. In conjunction with the training course, IREX Chief of Party, Joe Raffelberg, produced a handout on a case study on media relations for the Ministry of Foreign Affairs.

IREX Chief of Party Joe Raffelberg also worked with MMI to prepare students and government officials to respond to the needs arising from the Law on Free Access to Information. In a series of presentations on this topic, Raffelberg, a former manager and editor for Reuters, spoke to students from the Diplomatic Academy and staff from various ministries about key trends influencing cooperation between media and government. Raffelberg familiarized the ministries' press department spokespeople with the professional needs of print and broadcast media and provided guidance on how best each ministry can adequately meet these needs. Raffelberg also reminded presentation attendees that a journalist's purpose is to report facts and thus create a well-informed public; in order to do that, ministry press departments have to

be forthcoming with facts and information and develop an open and well-defined system for accessing information.

2. Implementation of Code of Professional Standards

Under the leadership of MMI, all media organizations of Montenegro signed a Code of Ethics and Professional Standards (Codex). In March 2003, the signatories of the Codex created the Journalistic Self-Regulatory Body (JSRB) to serve as the mechanism and facilities for implementing and monitoring adherence to professional and ethical journalism standards. Officially registered as an NGO in June 2003, the JSRB allowed for the self-regulation of the media and the promotion of journalistic standards, and enabled the media to avoid legislative regulation of ethical issues, as was the wish of the government during negotiations on the Media Law. Media self-regulation is essential for preventing government officials from introducing more stringent rules and placing media under tighter control. To this end, IREX support aimed to achieve the following measures:

- A stable administration to ensure efficient processing of complaints and other activities;
- Skills transfer to the JSRB coordinator through international exposure and on-the-job training;
- Roundtable discussions to talk about issues and report back to stakeholders;
- Public awareness campaigns to inform the media and the public of its role and to provide information on the complaints procedures;
- Regular reviews/surveys on the credibility of media in Montenegro to measure the degree of professionalism.

In October 2003, IREX awarded an initial subgrant to the JSRB to support organizational costs and activities for the further development of the organization. UNEM offered office space within its premises for the MSRB and former Dan journalist Senko Cabarkapa was elected as its first coordinator. Cabarkapa's appointment was particularly welcomed since he was not one of "the usual suspects" that form the inner circle of media power in Podgorica. His selection for the coordinator position also demonstrated a new openness among journalists for candidates that are considered "opposition" representatives. The original members of the JSRB managing board included Ranko Vujovic, UNEM; Boris Darmanovic, Association of Young Journalists; Vojin Bozovic, Association of Journalists; Danilo Burzan, Association of Professional Journalists; and Igor Milosevic, Montpress.

The JSRB began to study cases brought before it and produced its first quarterly report in the first quarter of 2004, naming several media outlets as having violated the Codex including the daily newspaper *Dan* and MBC. MBC was criticized for having employed foul language during an entertainment show but was later praised for its willingness to resolve the matter amicably. As a result of its initial findings, the MSRB was called upon to intensify its efforts to keep media clean of unethical elements and prevent reasons for libel litigation.

In October 2004, the JSRB changed its name to the Media Council and developed a new promotional campaign to publicize its role and responsibilities within the media sector, and to involve media professionals and the public in its operations. The Media Council also appointed an advisory board consisting of well-known and highly respected media professionals to define the organization's strategic direction and to use its members' influence to promote and monitor professional standards among the media. In addition, the Council developed a complaints commission, one-quarter of which is representatives of the public at large.

In early 2005, Senko Cabarkapa resigned from his post as coordinator and Branko Vojcic, editor in chief of *Monitor*, was chosen as his successor. The Media Council continues to conduct regulatory activities in order to further improve journalistic standards, promote the freedom of speech, and protect the rights of journalists and the media.

3. Promoting Employment Rights of Media Workers

Journalists in Montenegro are completely unprotected, the majority of them work “on the black” (without work agreement), for minimal salaries, without any insurance, and without any other ‘working rights’ including the right to strike. In developing independent media this is particularly troublesome because it represents a means by which both state and private media can use to limit journalists. IREX has worked with Journalist Association, AYJ, and others to promote the rights of journalists through the form of seminars and trainings to educate the journalism community of their existing rights and how to lobby for additional rights. Unfortunately, little has changed in IREX’s efforts due to the financial situation of many outlets in Montenegro. Independent media will eventually need to address the rights and duties of journalists (e.g., improved working conditions, defined job descriptions, and legal employment contracts) and should develop a cadre of specialized media lawyers to defend them when necessary.

4. Decriminalization of Libel Laws

Parliament passed new legislation on libel and defamation as part of a new penal code, which is a point of major concern. The law went into effect in April 2004 and although the threat of imprisonment has been dropped, “criminal acts against honour and reputation” are still punishable with heavy fines of up to € 14.000 (56 times the average monthly income) and a possible supplementary prison sentence if the fine is not paid. The burden of proof rests with the defendant reversing the general rule that a crime must be proven by the prosecution. In late 2004, MMI commissioned research to determine the facts related to libel in Montenegrin media, in light of the new criminal code, and to assess the influence of new legal regulations on the ever-increasing charges of libel against the media and demands for compensation of non-material damages. IREX consultant Hendrik Bussiek encouraged the Association of Young Journalists, among others, to work with the Ministry of Culture and the media to put the issue on the government’s workplan.

3.2 Media Licensing is Fair and Apolitical

1. Development and Implementation of Broadcasting Law

Legal reform activities under MIMP began with the Budva regional conference on broadcasting in South Eastern Europe that was sponsored by IREX, OSI and the OSCE in the summer of 2001. Prior to the event, IREX’s Resident Advisor and Ranko Vujovic of UNEM met the Deputy Information Secretary of Montenegro, who indicated that the government would consider a one-stop-shop approach for the licensing process (i.e., allocating frequencies and issuing broadcasting licenses), and that the entity responsible for broadcast signal distribution would be opened up to non-governmental forces. This was a positive indication of the government’s open attitude on broadcasting matters, which materialized in its participation in the conference and the signing of the Budva Declaration -- drafted by IREX consultant Hendrik Bussiek -- along with other participants from regional broadcasting organizations, inter-governmental organizations and NGOs. The Declaration called upon “States in the region to put in place an open, democratic process to reform broadcasting and related legal framework, with the full participation of civil society, and in accordance with international standards.”

Driven by independent broadcasters, Montenegro’s emerging civil society gained a remarkable victory in reforming media laws by spearheading an inclusive and transparent drafting and implementation process that resulted in exemplary legislation in line with modern European standards. The Union of Independent Electronic Media of Montenegro (UNEM), encouraged and supported by IREX, broke through years of government apathy for reform in 2001 by presenting and promoting the latest Council of Europe (CoE) recommendations on broadcasting regulations. UNEM advocated for an independent broadcasting agency and the transformation of state media into public service broadcasters, and submitted its own draft broadcasting law.

Government greeted this first submission of an alternative draft law with suspicion but soon bowed to pressure and convened a working group comprising all stakeholders: the Information Secretariat, the Ministry of Economy, the NGO community and private and public media. UNEM joined this body and began cooperating with the government thus securing quality draft laws that had a fair chance of being debated in Parliament.

Over the course of eleven months, backed by IREX consultant Hendrik Bussiek and aided by public debate and comments from international establishments including CoE, Article XIX and Covington & Burling, the working group produced:

- A new Media Law scrapping unreasonable restrictions of press freedom and introducing the right of reply;
- A Broadcasting Law establishing a truly independent broadcasting regulator; and
- A Public Broadcasting Law transforming the state's broadcast media into a broadcaster accountable to the public.

The set of laws had one objective in common, to ensure that politicians in partisan Montenegro would lose their control over key media overnight.

In the early fall of 2002, IREX -- along with the Information Secretariat and UNEM -- sponsored a public awareness campaign on the significance of media law reform, which ran parallel to the parliamentary proceedings. IREX also provided consulting services and small grants to local media outlets to execute campaign activities. Radio Antena M, Radio Free Montenegro, and television production houses M-Production and Obala produced special programs on the fundamentals of the new media laws and presented the reasons for change. IREX developed a public service message to explain that new legislation will foster new media development. The state-owned (national and municipal) and private TV stations in Montenegro aired both the programs and the spot. In addition, IREX ran the message "Vote for free media laws...now" in newspaper advertisements and on billboards.

On September 16, 2002, the Montenegrin Parliament passed the Media Law, Broadcasting Law, and Transformation Law.

2. Fair Implementation of Broadcasting Law

Although the Montenegrin parliament passed the new media laws in September 2002, it indicated it would delay implementation until May 1, 2003, for "technical reasons." Civil society's successful media reform was not popular with politicians who lost control over key broadcast and print media outlets as a consequence of the new media legislation. The 11-member council of the new public service broadcaster -- the RTCG Council -- was to be composed of representatives of the Montenegrin civil society alone without a part to play for the government or the political establishment, and the leadership of the broadcast industry's independent regulator -- the Broadcast Agency -- allowed for only one government representative in the group.

To protest the parliament's decision to delay the implementation of the new media laws until May 2003, members of the Union of the Independent Electronic Media (UNEM) conducted a transmission boycott with a daily 30-minute blackout from mid-September through October 14, 2002. UNEM also called for immediate implementation of the laws through TV advertisements and roundtable discussions. On October 23, 2002, Mladen Vukcevic, Executive Board President of the Democratic Party of Socialists (DPS), announced that the new government would immediately enforce the set of media laws, and on November 12, 2002, the parliament voted to begin immediate implementation.

The implementation of the media reform legislation began in earnest during the first quarter of 2004 and was marked by the start of the transformation of the state-owned broadcasters into public broadcasting services, the efforts to secure funding for the implementation activities, and the drafting of statutes and policies for the newly formed Radio Television Crne Gora (RTCG) Council and Broadcasting Agency. UNEM continued to demonstrate its leadership role within the working group for the implementation of the media laws.

In January 2003, UNEM held a press conference to disclose the action plan for the implementation of the new Media Law, Broadcasting Law, and Law on Public Broadcasting Services. The implementation plan was developed through a joint initiative of UNEM and the Secretariat of Information, along with

considerable input from IREX media law consultant Hendrik Bussiek. UNEM Coordinator Ranko Vujovic also conducted a briefing in Cetinje on January 23 for 60 people within the media community to explain the objectives of the new laws and to answer questions about the implementation plan. These types of public awareness events underscored the Montenegrin media working group's commitment to maintaining maximum transparency in the media reform process and their recognition that securing broad public support was critical for the successful implementation of the new legislation.

IREX and the Joint Initiative for the Implementation of the Set of Media Laws, led by the Secretariat of Information and UNEM, hosted an initial donor conference in February 2003 in order to solicit commitments to carry out and/or finance activities outlined in the action plan for the implementation of the three new media laws. Implementation activities included establishing a self-regulatory body to promote professional standards in journalism, privatizing print media presently controlled by the state, developing policies and regulations for license renewal and granting new licenses, and creating editorial and programming policies at Radio and Television Montenegro that comply with the mandate of a public broadcaster. Representatives of the Joint Initiative, USAID, IREX, the USAID/ORT Montenegro Advocacy Program (MAP), the US Consulate, OSCE-Belgrade, the Council of Europe, Press Now, several European governments and other international donors attended and pledged to implement approximately 75 percent of the proposed action plan activities through either in-kind or financial contributions. In addition, participants at the donor conference invited Joe Raffelberg, IREX Chief of Party, to serve as the liaison between the Montenegrin members of the working group and the international donor community to ensure a constant flow of information between the two sides.

In February and March, Bussiek drafted statutes for the RTCG Council and the Broadcasting Agency (BA) Council, provided recommendations on editorial and programming policies for the RTCG Council, and offered detailed suggestions for a broadcasting policy for the Broadcasting Agency. After consultation with the working group for media law implementation, Bussiek also developed flow charts for the activities to be undertaken with regard to the RTCG Council, the Broadcasting Agency, and other media law implementation. These charts provide a logical sequence of activities in accordance with the time-frame mandated by the legislation as well as the capacities of the bodies involved.

A. Broadcasting Agency:

The Broadcasting Agency (BA) was established by the Broadcasting Law passed by parliament in September 2002, which called for the creation of a truly independent regulator with the responsibility of preparing the first free and fair public tender of broadcasting licenses in Montenegro. The tender required the development of two core documents -- the Broadcasting Strategy and the Frequency Plan -- which, together, ensure that media licensing is fair and apolitical. Within the framework of its main activity, the BA issues licenses for the transmission and broadcast of radio and television signals and regulates broadcasters to adhere to the rules of the Broadcasting Strategy. It also receives complaints from individuals or broadcasters that may object to an issuance of a license or feel that an action of the BA was not in accordance with the broadcasting law and sends reports on broadcasting frequencies to international broadcasting and telecommunication organizations. The agency is accountable to the Broadcasting Council, whose members are appointed by the civil sector and media industry.

The five members of the Broadcasting Agency (BA) Council were officially appointed by parliament on February 27, 2003. In the spring of 2003, IREX staff and consultant Bussiek began providing technical assistance and support to the Broadcasting Agency in its efforts to start the development of its broadcasting strategy and frequency plan. Bussiek provided the Broadcasting Agency a discussion paper on the purpose of a broadcasting policy, possible goals and objectives of a broadcasting strategy, and primary issues to be addressed within a strategy document.

The independent BA was very slow in developing the broadcasting strategy and the new frequency plan that were required by the new media laws. It was not until February 2004 that the BA began serious work on developing a frequency plan, following an IREX-funded trip to Slovenia, which enabled consultants Dragan Ratkovic and Dragan Krkeljic and BA employee Momcilo Stojanovic to meet with regional

broadcast experts. The BA Council finally developed a first draft of a Montenegrin broadcasting strategy and sent it to the public for debate in late March 2004. This strategy document was based on the draft plan provided by IREX in August 2003, which outlined a vision for the future broadcasting landscape in Montenegro with the overall goal of a diverse broadcasting system which promotes freedom of expression and contributes to the growth of the economy.

In November 2004, IREX provided a subgrant to the BA for the development of a digital frequency plan as required by the International Telecommunication Union (ITU) for all European countries. IREX also supported the participation of two engineers from the BA at the ITU's biennial seminar of the Radio Communication Bureau in Geneva, Switzerland, in order to familiarize them with the organizational work of this union and the regulatory procedures established for its members. These activities allowed the BA to submit a notification to the ITU as a prerequisite for receiving practical assistance from the ITU Radio-Communication Bureau on its plan for digital terrestrial services that completely meet its own needs and harmonize with other countries' systems.

IREX also awarded a second subgrant to the BA in November 2004 for the creation of a dynamic website and database that has enabled the agency to build a better and faster communication system with broadcasters and other interested parties. The website serves as a resource for Montenegrin broadcasters and provides them with updated information on media laws, bylaws and other regulations that have been or are being developed by the Broadcasting Agency.

With the completion of both the broadcasting strategy and the frequency plan in the fall of 2004, the BA was finally able to announce the first free and fair frequency tender in December 2004. The new transparent tender process completely changed the procedure of allocating radio and TV frequencies in Montenegro, and ensures that all tenders are announced publicly and list specific criteria for application. The decision-making process has been taken away from the government and rests in the hands of the civil society representatives on the BA's council. The initial tender offered 136 television and 126 radio frequencies, and commercial broadcasters that already owned frequencies were given preference.

In May 2005, the Council of Broadcasters awarded frequencies to 40 radio and 16 television broadcasters under the first public tender for frequency allocations. In order to be eligible for a license, as prescribed by the Broadcast Law, stations had to be registered in and agree to broadcast all programming from Montenegro; have the technological facilities necessary for producing, editing, and broadcasting programs; and include at least 51 percent of its own production in its broadcast. Broadcasters with any political party affiliations were automatically disqualified from the competition. The Belgrade-based TV Pink was the only Serbian station to apply and receive a frequency.

Also in May, the BA Council set minimum standards for programming and the advertising and sponsorship of media programs that air in Montenegro. IREX consultant Bussiek worked closely with the BA to establish appropriate advertising and programming regulations for both public and private media that are in compliance with the Media Law, Broadcasting Law, Broadcasting Development Strategy, the Council of Europe Convention on Transfrontier Television, and other domestic and international legal documents. In accordance with the set advertising standards, commercial broadcasters' total amount of advertising in any one day cannot exceed twelve minutes per hour (nine for advertisements and three for infomercials), and public broadcasters' total amount of advertising in any day cannot exceed nine minutes per hour (six minutes for advertising and three minutes for infomercials). All Montenegro broadcasters are allowed by the BA to produce and edit any type of programming as long as it adheres to professional and generally accepted values of ethics and aesthetic standards as determined by the Rules on Minimum Program Standards. In short, programs must not include content which violate moral values; could be considered pornography; glorify violence; incite national, religious or racial intolerance; encourage crime; cause damage to the physical, psychological or moral development of citizens; or promote pseudo-medicine and other unscientific methods of solving medical and other life problems.

Under MIMP, the BA council and staff received ongoing technical assistance and advice from IREX staff and consultants on how to handle the set of regulations they created and how to develop further rules –

without strangling the industry with too many detailed and bureaucratic demands. Many people in Montenegro – the staff of the Agency is no exception – are still influenced by authoritarian mindsets and thus are tempted to over-regulate. The Agency acknowledged IREX as a trustworthy interlocutor that was able to provide continuous professional advice and guide its Council and staff in the right, democratic direction.

B. RTCG Council

In accordance with the new Law on Public Broadcasting Services, eleven identified organizations nominated candidates to the Radio Television Crne Gora (RTCG) Council, which is charged with representing the interests of citizens in the transformation of state-owned broadcasters into public broadcasting services. The eleven candidates were affiliated with academia, professional associations, trade unions, independent media outlets, and non-governmental organizations (NGOs), and were confirmed by the Montenegrin parliament. The formation of the RTCG Council was the first step in the transformation process of Radio Television Crne Gora (RTCG).

In December 2002, IREX consultant Hendrik Bussiek led an initial working session with the council candidates to discuss the challenges of and the potential measures for establishing credibility for the new public broadcaster. IREX's efforts toward the implementation of the public broadcasting reform legislation began in earnest in the beginning of 2003 and were marked by the start of the transformation of the state-owned broadcasters into public broadcasting services, attempts to secure funding for the implementation activities, and the drafting of statutes and policies for the newly formed Radio Television Crne Gora (RTCG) Council.

During the initial stage of the transformation, Bussiek spent significant time with the RTCG Council to review the draft statutes, as well as other organizational models for similar organizations within the region, and to discuss and explain in particular the division of powers between the council and the managing board, the financing of radio and television, and various methods for dealing with complaints from the public. During his meetings with the RTCG Council, Bussiek also emphasized the need for editorial and programming policies at the public broadcaster that adhered to the new media laws, and a restructuring plan aimed at downsizing RTCG's staff to a viable figure demanded considerable discussion as well.

Following a retreat on April 12, 2003, which was organized by the Organization for Security and Cooperation in Europe (OSCE) Belgrade and IREX, the working group for the implementation of media laws, which comprised two members of the Union of Independent Electronic Media (UNEM) and two state representatives, completed a series of informational sessions throughout Montenegro designed to advise local authorities and civil society groups on the transformation of state-controlled broadcast media to public control. In total, the working group visited thirteen municipalities where the meetings were well attended with 30 to 50 participants each and the discussions lasted for several hours. The municipal authorities accepted the directive to transform their broadcast outlets into public broadcasting services in order to comply with the new legal requirements by May 23, 2003.

In June the RTCG Council announced draft program principles, which outline its mandate, objectives, and professional standards. One principle stipulates that among other public events, important debates in parliament would be covered live based on editorial decision. The draft principles, based on Bussiek's input to the council, were published in newspapers to encourage public discussion.

In compliance with Article 3 of the new broadcasting law, which mandated that the new public broadcaster could only broadcast on two channels, the RTCG Council had voted in favor of discontinuing the parliamentary channel. Until June 2003, all parliamentary sessions had been broadcast live on RTCG's third channel. This decision was indicative of the newly independent broadcaster's determination to operate according to professional standards rather than based upon government influence. However, the RTCG Council's vote caused political turmoil and opposition parties refused to give interviews to RTCG and began boycotting parliamentary sessions.

In an effort to diffuse the conflict and inform party leaders and the public at large of the legislation mandating this change, the RTCG Council invited IREX media law consultant Hendrik Bussiek to give a presentation to the council members and press in attendance on the transformation process. He also met with governing and opposition parties in an effort to educate politicians on the principles of public broadcasting and to end the parliamentary boycott. At the same time, Montenegro's highest court stepped in and backed the new set of media laws and confirmed that the government does not have the authority to establish broadcast channels.

As the RTCG transformation progressed, IREX staff and consultants rendered continuous formal and informal advice on issues such as the restructuring of the organization and programming options. IREX also provided ad hoc assistance to keep RTCG afloat by devising and implementing measures such as benchmarking and proper output monitoring to enhance quality, and provided training on change management, as well as consulting advice on cutting staff numbers and other cost saving measures.

Two broadcasting reform specialists, Birgit Neunert and Lutz Oehmichen, were commissioned by IREX in October 2003 to propose financial rescue options and to outline a restructuring plan for RTCG. After an initial assessment, Neunert and Oehmichen put together a plan to give immediate "first-aid" to RTCG, and mapped out short-term (one year) opportunities to generate additional income. RTCG management was very open and cooperative, providing all information necessary to facilitate the work of the IREX consultants. As a result, by January 2004, RTCG had already begun the organizational change by decreasing the number of part-time staff members and lowering salaries. In addition, the RTCG completed its regulatory change process by hiring new radio and TV directors, who in turn hired new editors without any known connections to formal or informal centers of power in Montenegro.

RTCG's reforms slowed slightly in the summer of 2004, as the public service broadcaster received less subscription money than expected and faced decreased budget support from the government. Audience fees collected up until mid-May were just enough to cover salaries only until March, and the government budget cuts negatively affected the output of educational programming. The acting director general at the time, Radovan Miljanic, dismissed the Directors of Finance and Marketing for poor performance—a move which impressed the RTCG Council. IREX observed a sense of optimism about the transformation from this energetic manager who was willing to take risks in order to push for reform. Another encouraging activity that summer was the appointment of a new Steering Committee to oversee the reforms. The Steering Committee for Change of RTCG was made up of four members of RTCG management and staff, and was created to ensure that editorial and structural reform was carried out quickly, efficiently, and in accordance with the principles in RTCG's transformation plan.

In an effort to reinvigorate the restructuring process, the top echelon of RTCG management attended a weekend retreat in mid-October 2004 that was supported by IREX and organized by the Montenegro Media Institute and its managing director, Vojoslav Raonic. The workshop brought together the governing bodies and management of the emerging public broadcaster with international experts and IREX consultants Hendrik Bussiek and Akram Hatem. On the basis of discussions and conclusions reached during the retreat, IREX COP Raffelberg and Bussiek developed a revised plan for future steps for RTCG reform. Hatem also worked with RTCG management to explain the benefits of change, the difference between process and functional management, and the role of newly appointed Steering Committee to RTCG Management attendees.

IREX continued to provide consulting advice and guidance to RTCG in 2005, in an effort to complete its transformation to an independent public broadcaster, but at a relatively lower level given budget constraints during the final year of MIMP. Bussiek traveled to Montenegro in the spring of 2005 and conducted a final visit in July 2005 to provide additional assistance and follow-up advice necessary to advance the revised restructuring plan that he and Christian Nissen, a management consultant for the European Broadcasting Union, had developed in an effort to have the RTCG incorporated into a proposed reform plan under development by the Organization for Security and Cooperation in Europe (OSCE) at that time. At the close of MIMP, reform at the RTCG was still ongoing.

The media legislation adopted by the Montenegro in the fall of 2002 has been hailed as some of the most democratic worldwide and is now being used as a template in a number of other countries in transition from authoritarian rule. Its underlying principle is now acknowledged in many of these countries (although in most cases has not yet been put into practice): independence of broadcasting regulation and the public broadcaster from undue political and commercial influences needs to be guaranteed by taking all decision-making powers in the field of broadcasting away from the state and handing them over to representatives of civil society.

3. Development of Anti-Monopoly Legislation

Article 5 of the Media Law disallows “a monopoly ... in performing media activities” and refers to a “separate law” to be developed. Such legislation will give Montenegro the chance to promote competition in the media market and avoid over-concentration of control/ownership. IREX contributed to the debate by presenting a discussion paper on the issue and a working group drafted appropriate legislation. The new law will create conditions for the pluralism and protection against monopolies in media sphere, prevent unlawful ownership concentration in media, unfair competition and increase the transparency of the capital within the Montenegrin media system.

3.3 Indigenous Non-Governmental Institutions Represent Rights of Media Outlets and Journalists

1. Support for Legal Monitoring

IREX staff and consultant Hendrik Bussiek closely monitored the progress of media law reform in cooperation with other donor organizations and the Working Groups for Media Law Implementation. Bussiek worked in close collaboration with members of the working groups for the various laws and with RTCG on its transformation process providing expert advice on how to proceed. In addition, a visiting consultant from the OSCE assisted RTCG in its transformation efforts. IREX and OSCE have partnered on the RTCG reform process to ensure broad international acceptance and input.

2. Support to Associations to Promote Rights of Independent Media

IREX has worked extensively with UNEM to develop their capacity as the representative of private broadcasters in Montenegro. MIMP has focused on enhancing the services UNEM provides and helped them to gain the capacity to serve their members by representing them on the development of media legislation, offer training in management, and develop a joint marketing initiative that will strengthen the individual members by using UNEM as a vehicle for group advertising sales.

The majority of IREX's efforts for legal reform in the media sector under MIMP were carried out through the auspices of Montenegrin media associations. UNEM, AYJ and other local organizations played significant roles in the development and implementation of a new legislative framework that supports the freedom of speech and the right of the media to gather, produce and disseminate news.

Intermediate Result 4: Publishers and Station Managers Manage Media Outlets as Efficient, Profit-Seeking Businesses

IREX's work throughout the region has demonstrated that well-managed media outlets can survive in weak economies and either prepare for profitability or even, in some cases become profitable. To accomplish this in Montenegro, independent media outlets must operate as viable businesses, not donor projects, and they must develop the necessary supporting infrastructure such as regularized market research/ratings, efficient printing and distribution systems, news agencies, broadcast networks, and marketing cooperatives.

The combination of quality journalism and good business management is the rock on which media success is built, but media must also utilize modern management tools such as market research and business planning. IREX achieved considerable success in this area through cooperation with Montenegrin partners such as CEED, MMI and others. IREX provided targeted media outlets with

individualized consulting and training to develop and implement strategic business plans and to produce and use market research to improve sales and marketing.

During MIMP a number of media partners established business/marketing plans and outlines with IREX coaching. Since it has generally proved difficult to promote the idea of entrepreneurship in Montenegrin media, IREX efforts under MIMP included the following:

1. Providing ongoing support and consulting to selected media outlets;
2. Assisting selected media-related associations to enhance media efficiency and profitability;
- Training and educating media managers and owners to create the right business and marketing mindset; and
- Recruiting and training appropriate personnel for marketing and sales departments.

Despite these efforts, media as a business remains a generally unprofitable industry in Montenegro. According to the 2005 MSI, apart from the few successful media outlets such as dailies *Vijesti* and *Dan*, TV IN, Radio Antena M and MBC, the rest of the media are facing financial problems. The root of the problem is that they are unable to meet their financial obligations and therefore are unable to carry out their development plans. IREX has worked with several media outlets who have achieved considerable success, however, it is anticipated that the quality of journalism may slip after donor support has ended because they will need to settle for whatever brings in the most revenue and, more times than not, this usually leads to a decrease in the professional standards of their reporting.

Another problem facing media outlets is the lack of human resources management skills, which is made worse by the weak economy. Many workers do not have legal working status; and owners do not pay social insurance, health insurance and other taxes to the state.

The MSI states that the market for advertising is around seven million euros per year. Not many media outlets invest in market research, which can contribute strongly to media outlets' performance, for two reasons: 1) it is too expensive, and 2) media managers believe the results are skewed by their competition.

4.1 Independent Media Utilize Strategic Business Plans

1. Training in Strategic Management

Poor management in media – strategic and financial -- is one of the impediments to running print and broadcast outlets as profitable enterprises. To improve the situation, IREX offered training in strategic management and marketing to directors, managers and other staff at independent media to address their management needs, assist them to generate more revenue, and enable them to run more efficient and profitable businesses. The majority of strategic management assistance was provided to targeted media outlets through on-site consulting; however, IREX also organized several training seminars and workshops on management and marketing topics that were open to staff of any independent media.

Building on initial work conducted by IREX under ProMedia II, Dragan Kremer, media marketing expert from IREX/Serbia, held a one-week innovative marketing seminar during the first quarter of MIMP (early fall 2001) for UNEM members and other media marketing managers to help them develop dynamic sales and marketing policies to support financial sustainability of the independent media. The seminar emphasized a new marketing mind-set aimed at active selling of ads and airtime. Montenegrin media outlets needed (and still need) to move towards optimum professionalization by improving their programming/content, advertising campaigns, financial management and local and regional networking in order to have a more profitable and sustainable operation.

In cooperation with the Center for Entrepreneurship and Economic Development (CEED) – formerly the Center for Management at the Faculty of Economics at the University of Montenegro -- IREX conducted a series of training seminars over the course of MIMP for managers and sales and marketing staff. The

management seminars focused on topics such as strategic planning, vision, mission, organization, motivation and financial control. In addition to theoretical explanations of core management principles, the training devoted significant time to introducing practical problem-solving strategies and concepts, developing and implementing business plans, and teaching proven management techniques and tools.

The CEED seminars for sales and marketing staff concentrated on marketing principles and methods for practical application, and allowed the participants to share lessons learned and compare progress between seminars. The training began with general marketing concepts and each subsequent seminar built upon previous training content. Following the training the participants were much better prepared to contribute to the viability of their respective media outlets, although, unfortunately, few who attended the training possessed decision-making authority within their marketing departments.

In addition to training conducted in Montenegro, IREX also supported attendance at international conferences and participation on study tours to other countries. International training trips under MIMP included:

- In March 2003, IREX Chief of Party Joe Raffelberg led a study tour for MBC director Milutin Radulovic and co-owner Svetlana Barovic to TV stations WDR and RTL in Cologne, Germany, and to VIVA in Zurich, Switzerland. The on-site visits reinforced for Radulovic and Barovic the importance of having and following business and marketing plans, which must be aligned with the overall mission of the station. They were also able to exchange ideas on topics such as marketing design, promotion, and management structure with their German and Swiss counterparts.
- In October 2003, IREX Senior Media Advisor Vesna Banovi and UNEM director Ranko Vujovic attended the National Association of Broadcasting's (NAB) European Radio Conference in London. The conference was geared for managers, programmers, promotions and marketing experts, and sales professionals, and offered session on techniques and tools to build profits, refresh programming, change images and further business development.
- In April 2004, three Montenegrin media professionals -- Jasa Jovicevic and Danilo Cetkovic from MINA News Agency and Snezana Nikcevic from RTCG -- attended the NAB conference in Las Vegas, Nevada. The annual NAB conference is the world's largest annual gathering of electronic media professionals, drawing some 90,000 participants from more than 130 countries. The visit to the NAB helped the three Montenegrins become familiar with the most up-to-date content creation, new management and delivery tools, latest technologies for broadcasters and other trends in the sphere of electronic media.
- In September 2005, RTCG Deputy Director Ljiljana Braconovic attended an exhibition and trade fair of new broadcast technologies in Venice, Italy.

2. On-Site Consulting to Improve Business Management

Over the course of MIMP, IREX staff and consultants provided substantial on-site consulting and training to a targeted group of media outlets to help them develop and implement strategic business plans, establish partnerships, and apply new business practices. Assistance at the media outlets involved regular meetings with media management, monitoring the implementation of the business plan, identifying specific needs, analyzing market research, and assessing media profitability.

On-site consulting efforts began in August 2001 when IREX first contracted business consultant Matthias Wirzberger to begin a series of individual consultations with UNEM, *Polje*, TV Teuta/Radio Mir, MBC, Monitor, Onogost, Dan and the MINA news agency. Wirzberger met with the leadership of each outlet to develop business plans by assessing the organizational structure, services provided, market situation, strategy, management, and financials. These media organizations were able to use their initial business plans as a tool for future business development.

IREX contracted with the Strategic Marketing and Media Research Institute (SMMRI) in early 2002 to carry out a readership survey for the magazine *Onogost*, and hired Damar to carry out a survey for the

Monitor weekly. SMMRI's analysis of overall ratings, market share and the demographic breakdown of the readers, was used by IREX consultants to assist these media with the development of their business plans and editorial concepts. A major market research for MBC was also conducted in February 2002.

IREX continued to offer some of the most viable media outlets ongoing training and consulting (see details below) after their business plans were completed. In some cases, IREX assigned local consultants from CEED to follow up with the selected media and help them implement their business plans. IREX also supported limited on-site consulting to a new outlet -- *Kronika* weekly -- for the development of a business plan in September 2003, and began providing on-site assistance to a reformed RTCG in 2005.

A. MINA

With IREX assistance, the two news agencies Montena Fax and Montena Business merged in 2002 after a long ownership battle to form the Montenegro Independent News Agency (MINA). The new independent news agency progressed rapidly in developing its economic and business reporting and English language services, and IREX consultants provided MINA with management training, a business strategy for stringer and regional networking opportunities and becoming the key news supply partners with MBC, advice on successful sales campaigns for new products, training marketing and sales staff and other employees, and other consulting. The majority of Montenegrin print and broadcast media use MINA's information, particularly its business news, in the form of text, data, pictures and graphs, and MINA is now considered a leader in the provision of unbiased and fact-based news and information in Montenegro.

B. UNEM

IREX helped UNEM establish its marketing department to facilitate member TV and radio stations' training and networking so they could sell airtime en bloc to local and international advertisers in order to increase their net advertising revenue and to be more efficient in covering a large percentage of the total Montenegrin audience. IREX consultant Dennis Israel helped the UNEM marketing manager develop a fee scheme (percentage of generated income) for the advertising revenue brought in through the network.

C. MBC

IREX business consultant Matthias Wirzberger returned to MBC at the end March 2003 to advise management and establish a two-year sales budget and forecast. Wirzberger also created a client database in Microsoft ACCESS to track current customers, future customers, acquisition targets, competitors, and customers of competitors, and provided training to MBC management on how to use the database. IREX consultant Rich McClear visited the station in November 2003 and targeted five areas on which to concentrate his assistance to MBC: hiring a program manager, hiring a general manager, training the marketing division, creating a strategic plan for programming, and developing an agenda for a meeting with the board of trustees. Further consulting assistance focused on advising owners on how to reduce hands-on management and focus on vision/strategy, outlining structural changes as necessary, increasing efficiency and productivity, and analyzing ratings and audience information.

D. RTCG

IREX local business consultant Nevena Kovocevic conducted training on marketing and sales for the staff from the Radio and Television of Montenegro (RTCG) including the editor-in-chief, desk editor, desk editor assistant and other daily editors. Nevena Kovacevic, Sales and Marketing Manager at A-Media, in Belgrade, Serbia, conducted a four-day training seminar on broadcast media sales. The training emphasized contemporary marketing and sales techniques and included a discussion of the seven basic steps in the sales process, planning a sales campaign and the AIDA method of selling. She also worked with the ten participants on tips for organizing their day's work, working with other departments to get the

information needed, and explained the importance of determining one's position in the market through audience research.

4.2 Independent Media Utilize Market Research

1. Market Research as a Sales and Marketing Tool

Through training sessions and one-on-one consulting at targeted outlets, IREX used the results of market research surveys as a teaching tool for managers and marketing and sales staff. IREX also used the analyses of overall ratings, market share and the demographic breakdown of readers, listeners, or viewers to assist media outlets in the development of business plans and to determine editorial concepts. As a result, media outlets have developed an understanding of how to use research to improve marketing to their specific audiences, how to improve sales, and how to adjust programming/content to improve their audience share.

Media outlets received detailed results of the annual print surveys and MMI assisted outlets with interpretation and application of the findings. IREX provided training, as well as some on-site consulting, utilizing audience research following each broadcast media survey. At sessions held in Podgorica, IREX and MMI released basic broadcast survey information to all stations attending, as well as information about market and audience research in general. Stations were encouraged to bring program schedules and were able to have their specific questions addressed in private sessions with IREX staff or consultants.

IREX consultant David Bellin assisted the management of MBC in February 2003 to create an effective programming schedule in order to maximize nightly ratings. He also advised on the effects program scheduling have over a broadcaster's visibility within the market and its relationship to advertising revenue. IREX Senior Media Advisor Rich McClear followed up with MBC in November 2003 following the fall 2003 survey to analyze the research results, to compare MBC's ratings and its program schedule with competing stations, and to suggest format/program changes to the station.

Rich McClear, along with IREX consultant Suzi McClear, also traveled to radio stations outside of Podgorica in November 2003 in order to provide on-site consultations based on the fall 2003 survey data. The stations receiving individualized training on effectively using market research as a sales and marketing tool included UNEM members Antenna M, Free Montenegro, Elmag, Radio Mir, Radio Zeta, Radio Montena, Radio Bussola, Radio Ozon, Glas, Plav, Radio Boje, Radio M, Radio Fokus, and Radio Panorama. Suzi McClear also used the results to provide one-on-one training to Aleksandar Pajevic, hired by MMI to manage its market research services. In accordance with its economic sustainability strategy, MMI began offering market research services to marketing agencies, media outlets, and non-governmental organizations as a means to increase revenue.

Because the advertising market in Montenegro is relatively small and undeveloped, efforts to bring together advertisers, ad agencies and media to discuss the needs of advertisers, how they use market research, and how they can work together more effectively were not of great interest. However, IREX did work with some media outlets to help them develop ideas for media packages to present to Belgrade- and Slovenia-based ad agencies in an effort to educate regional agencies on the marketing opportunities available in Montenegro and in an attempt to further develop the market.

IV. CONCLUSIONS AND LESSONS LEARNED

The successes of the Montenegro Independent Media Program have given Montenegrin media a solid base from which to move forward. IREX has helped to create and strengthen indigenous institutions such as MMI, which will continue to provide journalism training and consulting. Professional associations, particularly UNEM and AYJ, have become effective advocates for their members. Professional independent media outlets do exist and hopefully will use the resources which have been provided through MIMP to maintain their quality of programming and adherence to high journalistic standards.

Despite this groundwork, as mentioned throughout this report, the weak economy has and will continue to take its toll on these media outlets. The quality of journalism, IR 1, is considered to be nearly sustainable according to the latest MSI, but it is yet to be seen what affect the withdrawal of donor support will have on it. IREX has trained a large number of journalists in Montenegro and it is hoped that the skills they have developed will allow them to maintain a quality standard for reporting even under poor economic conditions. Without financial support, it is feared that journalists will revert back to relying on press conferences, rather than doing their own real research, to find the basis of a story. The number of journalists attending training seminars may decrease as they are required to pay their own way, and many media outlets may resort to offering cheap entertainment programming in place of informative and publicly significant programming that can be expensive to produce.

The ownership of media outlets is also a threat to professionalism in Montenegro. Although currently there is no concern about media ownership structure because transparency of ownership exists, more so now than in the years past, the legal framework does not yet ensure that one company or individual cannot own a large number of outlets. IREX, UNEM and others have made efforts to draft an anti-monopoly law and it is hoped that the parliament will soon pass this law. The number of media outlets is expected to decrease in the next few years as broadcasters are now required to meet certain standards in order to receive a license, but this reduction could possibly threaten the diversity of the media sector.

Associations in Montenegro are now beginning to face the problem of losing donor funding and instituting membership fees to cover their operating costs. Although associations like UNEM have improved their services and members have benefited in many ways from belonging to an association, high membership fees could cause a decrease in members. It is of high importance that associations keep these fees to a minimum, allowing the organization to operate, but not creating a financial burden for their members. Finding this balance may be a challenge.

The consulting, training, and advocacy that IREX has provided for the media law reform process will hopefully have a lasting effect on the media working groups involved in the process of implementing these laws. It is now up to the local media organizations, associations, and members of the media community to ensure that the proper implementation and enforcement of these laws continues.

In the coming months and years there will more than likely be tremendous pressure on the newly restructured RTCG. The new organizational structure at RTCG has already met much resistance and RTCG management decided not to lay off 400 more employees last year as required by its restructuring plan and encouraged by the international consultants working with the public broadcaster. By continuing to employ more staff members than necessary and not cutting other excessive operating costs, the financial burden on RTCG will only grow.

IREX has made considerable progress in developing business plans for partner stations and newspapers and has conducted significant training on strategic management and sales and marketing issues. Additional consulting under MIMP ensured that these plans and strategies and skills were applied at targeted media outlets. Despite the financial viability of several IREX partner media, the business management skills of the average media owners and managers remain low. In addition, a poor economic environment, unclear status with Serbia and continued political uncertainty with Serbia and Kosovo affecting foreign investment have been detrimental to many media outlets' operations.

With the end of MIMP and significant donor support, the Montenegrin media sector is at a critical point in its development. It is hoped that the institutions in which IREX has invested its time, efforts and resources can continue to utilize their skills and overall capabilities to manage their operations successfully, uphold the existing media laws and advocate for additional legislation, and maintain the quality of news and current affairs programming that has been developed over the past four years.